

Mint's gold medallions are a convenient way to own precious metal

By Roger Boye

More questions from Tribune readers are answered this week.

Q — Are the new gold medallions being made by the United States Mint hot collectors' items? And how do we order them? — K.G., Burbank

A — At this time, investors are buying the medallions because they are a convenient way to own gold, not for any additional "collector value."

Ordering forms and instructions are available at local post offices. To learn the prices of the medallions, call toll-free 800-368-5510. The prices change daily with the fluctuating gold market.

Because of slow sales, the Treasury Department says it will accept orders through the end of the year, three months longer than originally planned. So far, fewer than a third of the 1.5 million medallions have been sold.

As you may know, the half-ounce 1980 medallion honors operatic singer Marian Anderson and the one-ounce variety depicts painter Grant Wood.

Q — I can hardly believe the shortage of pennies in my town. Should I be saving them, hoping they soon will be worth more than one cent each? — M.S., Hobart, Ind.

A — No; the hoarding of common-date Lincoln cents makes no sense at this time. The price of copper must reach about \$1.50 a pound before a Lincoln cent is worth its face value in copper, and the price would have to jump to nearly \$2 a pound before smelters could make a profit by processing and melting Lincoln cents. (Copper sold for about 95 cents a pound last week; the record price of \$1.45 a pound was set last February.)

Meanwhile, the U.S. Mint expects to produce a record 12 billion cents this year — 20 per cent more than in 1979 — in an attempt to alleviate the spot shortages caused by hoarding and distribution problems.

Q — My father obtained a 1,000-ounce silver bar from the government in 1965 by exchanging silver certificate bills. How many bills did he turn in for the bar, and how much is the bar worth today? — G.J., Wheaton

A — In 1965, the Treasury Department redeemed silver certificate bills at the rate of one ounce of silver for each \$1.29 worth of bills. Thus, your father spent about \$1,290 in silver certificate bills to obtain the bar which is worth more than \$21,000 at current prices.

Silver certificates were last printed in 1963 and Uncle Sam quit redeeming them for silver in 1968.

Q — My granddaughter is collecting \$1 bills she calls "Kennedy dollars." They have the letter "K" and the number "11" on the front side. Do you think they will be worth something soon? I rarely see them in circulation. — E.D., Chicago

A — Each \$1 bill in circulation bears the name of one of the 12 Federal Reserve banks, as well as a letter and number that identify the bank. For example, "G" and "7" stand for the Chicago Federal Reserve Bank.

Bills with a "K" and "11" are from the Federal Reserve bank of Dallas, and they circulate throughout the South. The bills have nothing to do with the Kennedy family and they aren't rare.

Q — I bought five 1884 Carson City dollars from the government for \$60 each. Will I be able to sell the coins for the same price in the future? — R.B., Howard, Ill.

A — Probably, but no one can say for sure. Sometimes the prices of old coins drop. For example, if the price of silver should fall to below \$8 an ounce (that's not likely), the value of your silver dollars might go down, too. But chances are good that you could sell the coins for at least \$60 each now and in the future.

If you decide to sell, be sure to visit more than one coin dealer because not all dealers pay the same.